



OCS Oil and Gas Activities

Description

Offshore oil and gas production in the Gulf of Mexico began in 1938 in the Creole Field off Louisiana. Since then almost 20,000 wells, over 95% of all wells drilled in Federal waters of the USA, have been drilled in the outer continental shelf (OCS) of this region. Over 87% of these wells have been drilled in Federal waters off Louisiana and 12% in Federal waters off Texas. Over 3,800 wells have been drilled in Louisiana state waters and over 1,800 in the state waters of Texas. During 1983, offshore oil activity in the Gulf of Mexico accounted for over 90% of production from the entire OCS of the USA, about 16% of total American production (Map 4.25).

The grid shown is the Minerals Management Service protraction diagram, which shows the grid cells or "blocks" used in the Federal leasing process. Blocks are the smallest geographic unit that can be leased from the Federal government in OCS lease sales. They have an area of approximately 9 mi² (5,760 acres). Leases are offered for initial terms of five or ten years, but can be extended under certain circumstances. Since 1954, when the first Federal OCS lease sale in the Gulf of Mexico was held, over 17 million acres (3,620 tracts) have been leased by private industry. At the end of 1982, 2,123 tracts were still under lease, and 1,053 of these leases were producing oil or gas.

Recent attention of the oil and gas industry has been focused on the deeper waters of the continental slope. The technology to produce petroleum hydrocarbons from these areas should become available by 1987 or 1988 (Offshore Magazine, 1984a).